

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Comment Sought on Improving)	IB Docket No. 10-171
International Comparisons)	
Required by the Broadband)	
Data Improvement Act)	

**COMMENTS OF THE NEW AMERICA FOUNDATION AND THE DONALD
MCGANNON COMMUNICATION RESEARCH CENTER, FORDHAM
UNIVERSITY**

Ian Forbes
Legal Intern, Open Technology Initiative

Tom Glaisyer
Knight Media Policy Fellow, Open Technology Initiative

Benjamin Lennett
Policy Analyst, Open Technology Initiative

Professor Philip Napoli
Director, Donald McGannon Communication Research Center
Fordham University

NEW AMERICA FOUNDATION
1899 L Street NW, Suite 400
Washington, DC 20036
(202) 986 – 2700
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I. INTRODUCTION

The New America Foundation (NAF) respectfully submits these comments in response to the Commission's *Public Notice* seeking comment on the improvement of international comparisons required by the Broadband Data Improvement Act in the above-captioned docket. In the *Notice*, the Commission seeks comment regarding the preparation of the 2011 International Broadband Data Report (IBDR) and how best to build on the foundation of the 2010 IBDR. Specifically, the Commission encourages comments detailing improvements that can be made to the data and analysis used in the 2010 IBDR and asks whether any additional data or analytic approaches to estimate the effects of competition on the availability, capability, and adoption of broadband in foreign communities should be utilized.

Specifically, NAF encourages the Commission to 1) collect and analyze data on more granular levels, 2) study regulatory frameworks that have been successful in other industrialized countries, and, 3) take an active leadership role in the international community with regard to data collection. These steps will aid the Commission in its compilation of the 2011 IBDR and provide policymakers and stakeholders such as industry groups, public interest organizations, and scholars with important information needed to develop research and analysis on broadband availability, deployment, subscribership, and adoption in the United States.

II. DATA MEASUREMENT AND COLLECTION REGARDING BROADBAND SUPPLY AND DEMAND MUST BE BROADER.

A recent FCC report indicated that 36% of respondents did not adopt broadband because of the costs associated with the service, indicating it has a substantial impact on the assessing the

actual demand for broadband among low-income and fixed-income groups.¹ These costs include monthly fees, installation fees, computer affordability, and reluctance to commit a long-term service contract. This barrier is only magnified in low-income communities. The Social Science Research Council explored broadband adoption in these communities across the United States and discovered that 99% of non-adopter respondents cited cost as the main barrier to non-adoption.² In addition to cost, factors such as income and education are also dividing lines.³

As a result, NAF encourages the Commission to collect information both here and in other countries related to the effect of cost and other socioeconomic indicators on broadband adoption. Aggregating this information will allow the Commission to study successful broadband deployment strategies in specific communities in United States and around the world, implement these strategies in similarly situated unserved communities, and help contribute to better-informed, and data driven policymaking. NAF also recommends that the Commission collect data related to market churn, costs associated with switching service providers, and total costs of service bundling which are likely to tell a more complete story of how the cost of service is affecting supply and demand in the market. Last, the Commission can also not ignore the growing trend of wireless broadband usage. As substitutes for residential broadband such as

¹ John B. Horrigan, “Broadband Adoption and Use in America: OBI Working Paper Series No. 1” at 30 (Feb. 2010) http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296442A1.pdf [hereinafter Broadband Adoption Report]

² Social Science Research Council, “Broadband Adoption in Low-Income Communities” at 28-32 (March 2010), http://webarchive.ssrc.org/pdfs/Broadband_Adoption_v1.1.pdf (Cost includes monthly fees, hardware and software costs, installation costs, equipment maintenance fees, and requirements of bundled services resulting in higher monthly charges).

³ Broadband Adoption Report at 3 (46% of adults whose highest level of education is a high school degree are broadband users at home, compared to 82% percent of adults who have attended or graduated from college. Additionally, 52% of households with incomes of \$50,000 or below have broadband, while 87% of those in households with incomes above that level use broadband).

WiFi, smartphones, and aircards become increasingly prevalent, the Commission must collect and review data about these increased usages and make it publicly available, instead of relying on second hand data or analysis done by other organizations.

NAF reasserts our longstanding position that any data collected by the Commission should be made open and publically accessible. Making this data available, in raw formats as easily downloadable as Census data, would allow external researchers to easily extend the analysis and thus increase their understanding of both fixed and mobile networks. If there are any serious and provable proprietary concerns related to releasing this information, NAF urges the Commission to allow researchers to have access to the data in a controlled manner. In a previous filing, NAF suggested using the approach proposed in the NTIA's Broadband Transparency Workshop, wherein data access is confined to select locations.⁴

III. MARKET STRUCTURE DATA MUST BE COLLECTED ON A MORE GRANULAR LEVEL.

On the issue of market structure, the most important criterion involves assessing the number of competitors (both wireline and wireless) serving a particular geographically defined market, as well as assessing the market shares of these competitors. However, this information can be difficult to obtain and government agencies that gather such data may be reluctant to disclose them due to concerns about the protection of proprietary commercial information.

Therefore, the more viable approach likely would be for the Commission to gain access to the

⁴ *In the Matter of Free Press Form 477 Data Access Request*, Comments of the New America Foundation, et al at 6, WC Docket No. 10-75, available at <http://fjallfoss.fcc.gov/ecfs/document/view?id=7020409414> (This proposal mirrored how U.S. General Population Survey data is handled, where data reside in highly controlled centers throughout the country, limitations are placed on what researchers can bring into and out of these facilities to protect the privacy of the survey participants, and all statistical analysis is done within the confines of the data center, under direct supervision).

raw data underlying the national or regional level aggregate reports that were primarily relied upon in the first International Broadband Data Report and then extract those data points that correspond to the more granular geographic areas that are the focus of analysis.

NAF also encourages the Commission to reconsider its decision to define “communities” from a purely geographic standpoint and to take into consideration alternative, non-geographic approaches to the notion of community that are in many ways reflective of some of the most pressing concerns related to broadband access and usage (e.g., minority, low-income, elderly, or disabled communities). Such communities are likely to emerge as the primary communities of concern as questions around broadband diffusion persist and concerns about pricing and speeds supersede more general concerns about basic access. Understanding broadband availability of both geographically and non-geographically defined communities is integral to many aspects of the development of communications technologies and in the assessment and formulation of communications policies and thus international comparisons related to how these communities are served would be of particular value. In addition, such approaches to the notion of community would likely satisfy both the *inclusivity* and *data availability* selection criteria employed by the Commission and seem to adhere to the definition of community that guided the Commission’s inquiry as much as, or perhaps even more so than, the exclusively geographic approach that the Commission employed in the initial Broadband Data Report.

IV. REGULATORY STRATEGIES ADOPTED IN OTHER COUNTRIES CAN BE USED TO INCREASE BROADBAND AVAILABILITY AND ADOPTION.

NAF applauds the Commission efforts to examine broadband regulatory policies in other advanced nations in order to provide vital insight into important strategies and policies that can be utilized to spur broadband availability, deployment, subscribership, and adoption in the United States. While the United States boasts the second highest number of broadband

subscribers worldwide, it ranks just 15th in terms of broadband penetration. NAF believes that the Commission can take lessons from the success of policies utilized in other industrialized countries to address affordability and overcome market conditions that have resulted in broadband service in the United States being among the slowest and most expensive among many of its peers.

The Commission's own study, undertaken by the Berkman Center for Internet and Society, details myriad data that open access and competition-fostering policies contributed to broadband penetration, capacity, and affordability in many industrialized nations. These policies include:

- Assessing where bottlenecks limit competition and innovation
- Providing low-interest loans and tax deductions to build out infrastructure
- Local Loop Unbundling (LLU)
- Mandating of interconnection rules and unbundling regulations
- Not requiring broadband providers are to obtain licenses or register with the regulating body, unless operating fixed-wireless connections

NAF urges the Commission to reassess its current policy framework and continually consider these and other policies that are creating affordable, high-speed broadband. These policies offer the potential to promote robust competition in the U.S. broadband market in the same way as they have in countries like Japan and France, as well as South Korea, where broadband service of up to 50 to 100 Mbps is expected to be available to 20 million subscribers by the end of 2010.

IV. THE COMMISSION CAN FACILITATE DATA COLLECTION BY TAKING AN ACTIVE LEADERSHIP ROLE IN THE INTERNATIONAL ARENA.

NAF believes that working collaboratively with international counterparts is vital to the extent that it facilitates the development and acquisition of comparable subscribership data and does not constrain any of the Commission's efforts. NAF encourages the Commission to use data

published by both the International Telecommunication Union (ITU) and the Organisation for Economic Co-operation and Development (OECD). We also urge the Commission to take the lead in the international arena to establish an international broadband data sharing protocol or propose and host a data repository that would benefit the policymaking of not just the U.S., but of all participating nations. While NAF applauds the Commission's job of gathering relevant data from a wide range of often disconnected sources, it seems doubtful that a more rigorous job could be accomplished absent some form of international cooperation or, failing that, contracting an independent third party research organization to engage in an ambitious multi-nation, multi-community survey. Such an approach, when combined with an approach that included public release of the underlying data, could help to alleviate the challenges associated with dealing with the different definitional and methodological approaches employed by the wide range of data sources relied upon thus far.

**V. ADDITIONAL DATA COLLECTION AND MEASUREMENT IS NEEDED
IMPROVE THE VALUE OF THE IBDR.**

NAF believes that the Commission must include data detailing broadband availability, deployment, cost, capabilities, subscribership, and adoption in the United States alongside that of our international counterparts. We also urge the Commission to collect data detailing whether public/private partnerships to fund broadband deployment or the targeting of non-adopters with digital training or subsidies exist for a particular geography. The Commission would be well served in learning from the successes and/or failures of any such programs. Lastly, NAF maintains its support for making accessible the Commission's Form 477 data through December 31, 2008.⁵ Allowing this transparency will facilitate the kind of rigorous analysis by interested stakeholders that is essential to effective and representative policymaking.

⁵ See *In the Matter of Free Press Form 477 Data Access Request*, Comments of the New

NAF further encourages the Commission to maintain openness and transparency with respect to any broadband measurement process, as we believe both consumers and policymakers would benefit from a better understanding of the performance capabilities of both fixed and mobile broadband networks.

VI. CONCLUSION

These comments provide an overview of a number of approaches and recommendations for data collection that could be utilized by the Commission in its compilation of the 2011 IBDR. We encourage the Commission to think broadly about data collection and focusing on creating viable and publically accessible sources of data for researchers and policymakers. We believe that ensuring that key data is publicly available to allow for independent and robust analysis will spur research and innovation and improve public policy.

Respectfully submitted,
/s/

Open Technology Initiative
NEW AMERICA FOUNDATION
1899 L Street NW, Suite 400
Washington, DC 20036
(202) 986 - 2700